

DEBT SERVICE RATIO AND OUTSTANDING DEBT

Debt Service Ratio

Debt service as a percent of total governmental operating expenditures, excluding proprietary funds and capital project funds, is a measure of debt service impact to operations. As a fixed cost, debt issues are structured to maintain debt service at less than ten percent of the total governmental operating expenditures in future County budgets. Projected debt includes debt expected to be issued for capital projects in future years of the 2003-2007 Five-Year Capital Projects Plan. Projected expenditures assume a 5.5% annual growth rate and includes an estimated jail facility expansion impact of up to \$3 million in 2005.

(Millions)	1999	2000	2001	2002	2003	2004	2005	2006	2007
	Actual*	Actual*	Actual*	Estimate	Budget	Projected	Projected	Projected	Projected
Gov. Oper.*	\$145.1	\$155.1	\$167.3	\$170.3	\$178.5	\$191.1	\$205.1	\$218.3	\$230.3
Debt Ser.**	\$10.5	\$10.5	\$11.1	\$11.5	\$12.3	\$13.1	\$13.8	\$14.5	\$15.5
Ratio (%)	7.3%	6.8%	6.6%	6.7%	6.9%	6.9%	6.7%	6.7%	6.7%

*Excludes proprietary fund operating expenditures.

**Does not include refunding and debt redemption activity.

Outstanding Debt

Outstanding debt is the outstanding principal on general obligation bonds for which the County has pledged its full faith, credit and unlimited taxing power.

Year Issue (a)	Budget Year	Final Payment Year	Amount Issued	True Interest Cost	Outstanding Debt
2002 GOPN (b)	2002	2012	\$14,600,000	4.25%	\$14,600,000
2001B GOPN	2001	2011	\$9,900,000	4.30%	\$8,800,000
2001A GORPN (c)	2001	2005	\$16,330,000	3.59%	\$11,685,000
2000 GOPN	2000	2009	\$9,900,000	5.00%	\$8,300,000
1999 GOPN	1999	2008	\$9,900,000	4.21%	\$8,500,000
1998 GOPN	1998	2007	\$9,800,000	4.28%	\$6,400,000
1997 GOPN	1997	2006	\$9,800,000	4.70%	<u>\$6,800,000</u>
TOTAL DEBT 12/31/02					\$65,085,000
2003 BUDGET					<u>\$13,500,000</u>
TOTAL					<u>\$78,585,000</u>

(a) GOPN=General Obligation Promissory Note

(b) The 2002 budget of \$9.9 million was modified to borrow an additional \$4.7 million in 2002 and reduce a planned 2003 borrowing of \$18.4 million to take advantage of historically low interest rates in 2002. The \$4.7 million in jail assessment fees planned to be used in 2002 will be applied with accumulated interest to reduce borrowing in 2003 and 2004.

(c) GORPN=General Obligation Refunding Promissory Notes. In 2001, notes were issued to refinance \$16.4 million of the outstanding debt that had been originally issued between 1994 and 1996.

Outstanding Debt Limit

By statute, the County's outstanding debt is limited to 5% of the equalized value of all County property.

	2001 12/31	2002 Budget Year	2003 Budget Year
Equalized Value (d)	\$29,441,736,300	\$31,816,827,400	\$34,518,445,200
Debt Limit (5% x equalized value)	\$1,472,086,815	\$1,590,841,370	\$1,725,922,260
Outstanding Debt (e)	\$58,930,000	\$65,085,000	\$78,585,000
Available Debt	\$1,413,156,815	\$1,525,756,370	\$1,647,337,260
Percent of Debt Limit Available	96.0%	95.9%	95.4%

(d) Total County equalized value including Tax Incremental Districts for budget year purposes.

(e) Includes anticipated 2003 debt issue of \$13.5 million.